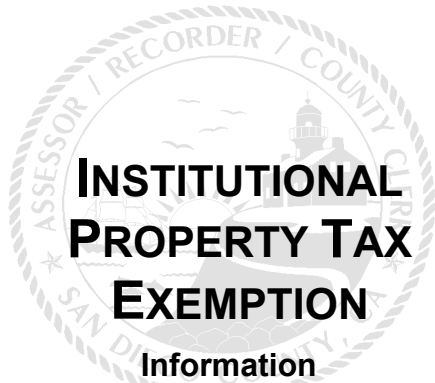


Gregory J. Smith
Assessor / Recorder / Clerk
County of San Diego



1600 Pacific Highway, Room 103
San Diego, CA 92101
(619) 531-5763

Branch Office Locations to Serve You

CHULA VISTA
590 Third Avenue
Chula Vista, CA 91910
(619) 498-2200

EL CAJON
200 S. Magnolia Avenue
El Cajon, CA 92020
(619) 401-5700

KEARNY MESA
9225 Clairemont Mesa Blvd.
San Diego, CA 92123
(858) 505-6262

SAN MARCOS
334 Via Vera Cruz, Ste. 150
San Marcos, CA 92069
(760) 940-6868

– OFFICE HOURS –
8:00 a.m. – 5:00 p.m. Monday thru Friday
9:00 a.m. – 3:00 p.m. Saturday (Kearny Mesa Only)

www.sdarcc.com

Institutional property tax exemptions are available for real and personal property used for religious, hospital, scientific, or charitable purposes. The property must be owned and operated by funds, foundations, or corporations organized and operated for religious or other charitable purposes. These exemptions require annual filings.

Under State law, property used for fundraising purposes is not qualified for exemption.

Church Exemption

This exemption may be used by religious organizations for either owned or leased real or personal property. The exemption applies only to areas used exclusively for worship or parking. The exemption does not apply to areas used for fellowship or other non-worship activities. The Church Exemption is most often used for leased real property. Religious organizations that own real property most commonly file the **Religious** or **Welfare Exemption** claims because of their broader scope of exemption.

Religious Exemption

This exemption is available to religious organizations for real property they own, as well as owned or leased personal property. The exemption extends to property used for worship, fellowship, religious counseling, offices, parking, and schools grades 12 and under. Once claimed, the exemption remains on the property until the status of the organization or use of the property changes. The Assessor's Office annually sends an exemption renewal statement which the organization returns verifying that the use and ownership of the property have not changed.

Welfare Exemption

This exemption is available to religious, hospital, scientific, or charitable organizations, including low-income housing limited partnerships. It may only be used for owned real or personal property. The following information must be submitted when filing a claim:

- An Organizational Clearance Certificate (BOE 277), obtained from the State Board of Equalization
- Copies of financial statements for the years claimed
- If property is low income housing, a Supplemental Clearance Certificate (BOE 277-L1)

The State Board of Equalization determines whether an organization is eligible for the Welfare Exemption. The Assessor determines whether the use of the property qualifies for the exemption. State Board of Equalization information is available at their website at www.boe.ca.gov or by calling their office at (916) 445-3524.

Low-Income Housing

Housing for low-income tenants may be exempt if owned by a non-profit organization or a limited partnership with a non-profit as managing general partner.

Properties may qualify if they meet **one** of the following conditions:

- The property is financed with tax-exempt revenue bonds, general obligation bonds, or is financed by local, state, or federal loans or grants. Rents may not exceed the deed restriction or regulatory agreement limits.
- The owner of the property receives low-income housing tax credits.
- Properties owned by non-profit organizations are occupied by tenants, 90% or more of which qualify as low-income households.

Low-income housing exemption requires filing the Welfare Exemption.

Housing for Religious Personnel

Housing for religious personnel may be exempt if the housing is owned by the religious organization. Only housing incidental to the primary exempt activity of the organization is eligible. Housing for religious personnel requires filing the Welfare Exemption.

Public School Exemption

This exemption is used by public schools, including charter schools. Public schools most often use the exemption for leased real and personal property. The property may be used for a variety of purposes, including education, administration, and administrative support functions. Charter schools must submit a copy of the charter when applying for this exemption.

College Exemption

The College Exemption is available to private four-year colleges and may be used for owned or leased real and personal property.

Cemetery Exemption

The Cemetery Exemption is available to both non-profit and for-profit cemeteries. Restrictions exist regarding the exemption of for-profit cemetery property. For further information, please contact the Assessor's Office at (619) 531-5763.

Lessor's Exemption

The Lessor's Exemption is available to property owners who lease real property to free public libraries, free museums, public schools, community colleges, State colleges, State universities, University of California, Churches, and non-profit colleges. Both the owner of the property and the exempt organization are required to sign the claim. The benefit of the exemption must go to the exempt organization in the form of a rent reduction or direct refund, unless otherwise stated in the lease. A copy of the lease is required to be submitted with the first claim.

How do I receive an application for one of these programs?

Claim forms are available on the Assessor's website at www.sdarcc.com or by calling the Exemption Section at (619) 531-5763.

February 2004

